

MI Child Support Formula - Attn: Friend of the Court,-Regarding changes to support guidelines

From: "Joe Moran" <JMoran@cooperstandard.com>
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Subject: Attn: Friend of the Court,-Regarding changes to support guidelines

To:

Child Support Formula Sub-Committee
 Kent Weichmann, Chairperson- Family Law attorney
 Terry K. Adams- Public Member- Economist
 Roland Fancher- friend of the Court
 Patti Holden- Public Member- Custodial parent
 Kimberly L. Iem- Human Services Professional
 Ronald papke- Public Member- Non-Custodial parent
 Donald Reisig, Ex-Officio- Friend of the Court
 'Hon. Michael F Skinner- Judge

Children First Committee

To all committe members,

You say Children First.

I want you to understand that the current child support system has not put my son best interests first- or for that matter all children- both financially from the excessive amounts of child support being sent to his mother (custodial parent), and emotionally in myself not being not allowed enough quality time to spend with with my son (Every other weekend and one evening per week). Basically the current system treats the non custodial parent like a wallet without any decision making authority.

The current Child support system also negatively effects my new family (new wife, children) who are also both being abused both financially and emotionally by the current Child Support Guidelines which do not recognize that the non custodial parent also has overhead (housing, utilities, food, clothing, car maintenance/gas, etc.) which pertain to the child. Just because the child doesn't spent every night with the non custodial parent, doesn't mean these overhead expenses go away. He still must allocate a bedroom and furniture (including high chairs, cribs, etc.) for the child not to mention other expensives like bikes, toys, books, etc..

The current system states that child support amounts are set up to provide a life style for the child that he is used to, as if both parents are still together. When two parents never married or lived together, the child obviously never had a life style as if both parents lived together. Even if they were married, The system is set up to allocate excessive \$amounts (25-30% of their net income for one child.) to the Custodial parent that are well over the combined \$amount required for household overhead and the children's basic needs. Add to this, the non-custodial parent's own out of pocket and overhead expenses in his/her own home and he/she is virtually paying 50% of his/her income as expenses for one child. In reality, most people don't allocate even 25% of their income for one child. If that was the case, no one would be able to afford more than one or two children, assuming that it takes 25% if one's income to support each family member. The average number of children per American household is greater than one

or two. This is just another example of how the current child support system really puts in my case mother first by providing a hidden alimony.

Accountability

The custodial parent is unfairly deemed as the treasurer to manage and spend the family's discretionary income as if they were together with no accountability what so ever to the Non-custodial parent. When people are married they make joint decisions to use this discretionary income wisely for the benefit of the whole family- such as family vacations, trust & college funds, house projects, summer camp, swimming lessons, etc. Why should the Custodial parent be the only one to benefit by being given a free reign to spend this discretionary income any way they please- which is often misused by the Custodial parent to be spent on their personal cars, clothes, and entertainment. The current Child Support System is a system of financial abuse to the non-custodial parent's discretionary income because they are blindly taken out of the decision making process and responsibility for its use, it's benefit to the family, and it's benefit to the child. Where is the accountability for the discretionary income as if the family were together? I many times feel physically ill in my stomach when I think about that brand new \$30,000 car that his mother bought and the new expensive designer cloths from Lord & Taylor and Marshall fields, I see her in all the time. Her income of \$40,000 per year doesn't afford her such luxuries. But it sure does with the \$1000 per month extra tax free discretionary Child support Joe dollars the State of Michigan is providing her out of my household discretionary income.

New Shared Economic Responsibility formula: (Cubed instead of squared)
I compared how this new cubed formula would reduce my child support Vs. the previous squared formula.

In doing so I discovered that the new cubed formula reduced my child support by a very little \$amount while the previous squared formula reduced my child support by a more fair amount.

Reduction / (87) non-custodial overnights

New cubed formula-Reduced- \$34

Previous squared formula- Reduced- \$100

What is the argument to support this new formula? Why what was deemed fair for 128 overnights is deemed unfair for any less. The non custodial parent still has to provide for the same ratio of expenses in overhead, food & clothing as 128 overnights. I support changes pertaining to number of overnights from 128 to 52 however I don't support using this new cubed formula because it unfairly penalizes and ignores compensate my over head and out of pocket expenses pertaining to my son. I would support hearing that I could attend to come to a fair formula.

A Good Start with (10) requested changes:

1. Reduce the non-custodial % of net income for child support to account for only \$amounts required for household overhead, children's basic needs, child care, and medical. It should also be based on the age of the child. (Children 0 to 5, 6-10, 10-14, 15-18 have different economic needs.).
2. Child support amounts should be based on the same amount the state Welfare system uses. Isn't the base amounts considered adequate to feed, cloth and shelter a child? If child support amounts were based on this same system, which is deemed adequate for our welfare recipients then the non custodial parent would have more control and decision making authority over his own earned income, and would have the means to provide additional items for his own child (clothes, classes, etc.). The state is generous with the noncustodial parent's money, but has a different set of standards for their money deemed for welfare recipients. Welfare recipients are given a set

amount of money and told they must manage on that. They are also instructed to take classes on how to buy healthy food economically. Why doesn't the state adopt the same system with the noncustodial parent's money. That way the non-custodial parent can provide for items he/she thinks are important. With the current system, the children believe that the custodial parent buys them everything and the non custodial parent buys nothing. In reality, the non custodial parent buys everything, the custodial parent just picks it out! The non-custodial parents discretionary income should remain under their discretion.

3. Child Support should include a cap. Since the current method is based on income without a cap; it allows excessive amounts to be paid to the custodial parent. This harms the child because the non custodial parent no longer has decision making ability over how his earned income is spent or whether its even spent on the child. Because the non custodial parent provides so much excessive money to the custodial parent, he cannot afford to spend any money on his own child. Therefore, his child loses out.

4. A separate account should be designated to prove that this money is being used for the child and not for personal pleasures and luxuries.

5. The custodial parent should be required to pay the non custodial parent child support during periods of time when the non custodial parent keeps the child for vacations, etc. The non custodial parent is the one incurring all the expenses in taking care of the child.

6. Non custodial parents' child support amounts should be adjusted down when the custodial parent has more than one child from different relationships. The current system over pays the custodial parent double, triple overhead because the support tables base the payments one child for each non custodial parent. The current system rewards immoral behavior with multiple partners. Custodial parents quickly learn how this current system is financially rewarding.

7. Child support should be automatically adjusted should the non-custodial parent become unemployed. If child support is based on income, then why isn't income used as a base when the non custodial parent becomes unemployed. The current system unfairly penalizes the non custodial parent during these times, which affects the child.

8. The parent providing the majority of the financial support should receive the tax deduction.

9. The parent receiving the Child Support money should be claiming the income on their tax return and the parent paying Child support & child care should not have to pay tax on this money since it is not income available in his household.

10. The parent providing the majority of the child care costs should be able to claim these costs on his/her tax return. The current system unfairly gives the tax relief to the parent who in many instances only pays a fraction of the costs.

Other injustices from Current Child Support System

The current system of child support unfairly cheats the non custodial parent's new family in a number of ways:

1. The custodial parent of the previous relationship can reduce her work hours or quit her job which reduces her income and therefore creates a

greater financial burden of child support on the non custodial parent. The effect reduces income in the non custodial parents' new family household. This causes children in the non custodial parents new family to suffer. These children must do without or their mother (new spouse of non custodial parent must work additional hours to make up for all this money going out of their household into another household. This causes the new children of the non custodial parent to sacrifice time with their parents so their half sibling can spend more time with their parent. Why should the new family of the non custodial parent be penalized so heavily. Rob Peter to pay Paul is the mentality of the current system.

2. The current system unfairly impedes the non custodial parents ability to provide for his/her own retirement by adding back deductions for voluntary retirement (401-k plans etc.) to the non-custodial parents income which is used as a base to calculate child support payments to a custodial parent. With the current state of the American economy and corporations no longer providing pensions to American workers and sabotaging voluntary retirement plans such as 401-k plans, it is essential that employees save now for their retirement or live on the street when they get old and unable to work. Also, if social security is no longer a secure benefit of the future, employees must save now or risk the possibility of their children supporting them in the future.

3. Because bonus' are not guaranteed income, it is not fair to include them in base income used for calculation of child support payments.

4. The current system of child support does not include deductions for business expenses. When a company deducts business car expense in a pay check, the current child support system does not do the same and adjust the income down accordingly before using it as a base to calculate child support. Therefore, an over inflated amount of income is used as a base to calculate child support payments.

5. From a step mother's perspective. If she supports her husband so he can move up the corporate ladder or start a business, and he is financially successful and makes a lot of money, the current system rewards the custodial parent by allocating a greater portion of the non custodial parents income to the custodial parent. This is unnecessary and very unfair to the non-custodial parents spouse and new family. The step mother is the one who earned the money together by supporting her husband the non custodial parent. The custodial parent did absolutely nothing to contribute to the non custodial parent's increased earning power. Not only does the stepmother get cheated but her children also get cheated.

6. Medical expenses or other hardship situational expenses of the non-custodial parent should be considered before determining child support payments to be made by the non custodial parent. What if the Non-custodial parent is facing extreme financial hardships from other family members.

7. I understand that there could be a new system that becomes effective which would set up medical deductions which the non custodial parent would be responsible for such things as orthodontal care such as braces. We all know that braces are a luxury medical care item, not a necessity. This is absolutely unfair to impose this luxury item on the non custodial parent. Many company benefit plans don't even offer dental care as a benefit package or if they do, the coverage is very limited. Many adults haven't had braces because they themselves can't afford it or when they were young their own parents couldn't afford it. The entire family of the non custodial parents second family should be considered before assessing medical charges with the child support package.

8. The Michigan child support tables adjust support payments for so called economics. This is not fair to the Non custodial parent because with the current state of the economy, job security, unemployment rates, etc. many corporations are not approving raises of any kind including cost of living . In fact, employees are being laid off and forced to accept lower paying positions if they want to work. It is very common now a days to find that the same job level is paying at a lower pay scale. Therefore, employees who do find work must learn to manage their own finances even closer and cut back on nonessentials.

9. Interest rates assessed on arrearages are not adjusted for the current over 30 year low rates, but support tables are adjusted for the current levels. Double standard????

Other notes

1. FOC personnel (referees, judges, caseworkers, etc.) need to be sent to classes in client service. The disrespectful treatment coming out of these offices is deplorable! No human being should be treated in such a fashion.

2. The FOC office needs a serious re-engineering of its current inefficient system. No customer (parent) should have to follow up numerous times because the FOC failed (for whatever reason) to process requested paperwork such as vacation abatements in a timely manner. The paperwork seems to disappear and never get processed.

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